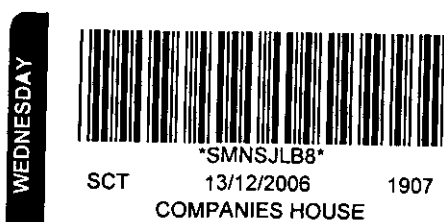


Registered number.
SC57921

Cameron Motors (Perth) Limited

Financial statements

31 May 2006



Cameron Motors (Perth) Limited
Financial statements - 31 May 2006

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Cameron Motors (Perth) Limited

Directors' report

The directors present their report together with the audited financial statements of the company for the year ended 31 May 2006

Principal activities

The principal activities of the company continued to be the buying and selling of new and used motor vehicles, the supply of spare parts and vehicle servicing associated with its Volkswagen franchise

Trading results, review of the business and future developments

The profit for the year after taxation was £60,477 (2005 £50,471) and accordingly this amount has been transferred to reserves (2005 £50,471)

The directors are satisfied with the improvement in the trading performance for the year and consider the company to be in a strong position to meet future developments in the retail motor sector

There have been no events since the balance sheet date which materially affect the position of the company

Directors and their interests

The directors who held office during the year were as follows

I D Cameron
W D Anderson
P Stewart (appointed 1 May 2006)

C A Stewart resigned as a director on 30 April 2006

None of the directors held any interests in the shares of the company during the year

I D Cameron and W D Anderson were also directors of the company's parent company, Cameron Motors (Scotland) Limited, at 31 May 2006. Their interests in the share capital of that company are shown in its financial statements

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

Cameron Motors (Perth) Limited

Directors' report (continued)

Directors' responsibilities (continued)

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the directors are aware there is no relevant audit information of which the company's auditors are unaware and they have taken all the steps they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution to re-appoint Friend LLP as auditors will be proposed at the forthcoming Annual General Meeting.

This report was approved by the board on 20 November 2006.

Signed on behalf of the directors

A handwritten signature in black ink, consisting of a stylized, cursive 'I' followed by a horizontal line extending to the right.

I D Cameron
Chairman

Independent auditors' report to the shareholder of Cameron Motors (Perth) Limited

We have audited the financial statements of Cameron Motors (Perth) Limited for the year ended 31 May 2006 which comprise the profit and loss account, balance sheet and related notes as set out on pages 4 to 12. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

We read the directors' report for the above period and consider the implications for our report if we become aware of any apparent misstatements.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the company's affairs as at 31 May 2006 and of its profit for the year then ended, they have been properly prepared in accordance with the Companies Act 1985 and the information given in the directors' report is consistent with the financial statements.

Friend LLP *Friend LLP*
Chartered Accountants and Registered Auditors

Quayside
252 260 Broad Street
Birmingham
B1 2HF

20 November 2006

Cameron Motors (Perth) Limited

Profit and loss account - for the year ended 31 May 2006

	<u>Notes</u>	<u>2006</u> £	<u>2005</u> £
Turnover	1	13,873,177	13,509,259
Cost of sales		(12,477,755)	(12,217,125)
Gross profit		1,395,422	1,292,134
Other income		644,933	575,439
Administrative expenses		(1,943,073)	(1,858,385)
Operating profit		97,282	9,188
Interest receivable	2	21,071	79,561
Interest payable	2	(39,907)	(25,448)
Profit on ordinary activities before taxation	2	78,446	63,301
Tax on profit on ordinary activities	4	(17,969)	(12,830)
Profit on ordinary activities after taxation		£60,477	£50,471

None of the company's activities were acquired or discontinued during the above two financial years

The company has no recognised gains or losses other than the profit or loss for the above two financial years

The notes on pages 6 to 12 form part of these financial statements

Cameron Motors (Perth) Limited

Balance sheet at 31 May 2006

	Notes	£	2006 £	As restated 2005 £
Fixed assets				
Tangible assets	6		536,198	554,360
Current assets				
Stocks held for resale	7	1,951,076		2,127,976
Debtors	8	2,031,912		1,261,783
Cash at bank and in hand		411,664		627,689
		4,394,652		4,017,448
Creditors amounts falling due within one year	9	(2,026,567)		(1,682,333)
Net current assets			2,368,085	2,335,115
Total assets less current liabilities			2,904,283	2,889,475
Provisions for liabilities and charges				
Deferred taxation	10		(56,693)	(52,362)
Net assets			£2,847,590	£2,837,113
Capital and reserves				
Called up share capital	11		20,000	20,000
Profit and loss account			2,827,590	2,817,113
Equity shareholder's funds	12		£2,847,590	£2,837,113

These financial statements were approved by the board of directors on 20 November 2006 and signed on its behalf


I D Cameron
 Director

The notes on pages 6 to 12 form part of these financial statements

Cameron Motors (Perth) Limited

Notes to the financial statements - 31 May 2006

1. Accounting policies

The financial statements are prepared under the historical cost convention, on a going concern basis, and in accordance with the Companies Act 1985 and applicable accounting standards

The company has applied the presentation requirements of FRS 25 "Financial Instruments Disclosure and Presentation" and restated the corresponding figures relating to the prior year where appropriate

The principal accounting policies of the company, which remain unchanged from the previous year, are set out below

a) Turnover

Turnover comprises income from sales and work done, excluding value added tax. All turnover is derived from the company's principal activities and is wholly within the United Kingdom

b) Tangible fixed assets

Depreciation is calculated, on an annual basis, so as to write off the cost of tangible fixed assets over their expected useful lives, as follows

Property improvements	2% straight line
Plant and equipment	15% reducing balance
Fixtures and fittings	10% reducing balance
Computer equipment	25% straight line

c) Stocks

Stocks are stated at the lower of cost and net realisable value. In accordance with Financial Reporting Standard No 5 stocks include vehicles on consignment from the manufacturer

d) Deferred taxation

Deferred tax is provided in respect of the tax effect of all timing differences that have originated but not reversed at the balance sheet date

A deferred tax asset is regarded as recoverable and is therefore recognised only when, and to the extent that, on the basis of all available evidence it can be regarded as more likely than not that there will be taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on a non discounted basis at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date

e) Pensions

The company operates a pension scheme providing benefits based on defined contributions. The assets of the scheme are held separately from those of the company, being invested with insurance companies. Contributions to the scheme are charged to the profit and loss account as incurred

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

2 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging/(crediting)

	<u>2006</u> £	<u>2005</u> £
Depreciation of tangible fixed assets	42,856	45,540
Auditors' remuneration	11,375	11,375
Other interest payable	39,907	25,448
Bank interest receivable	(21,071)	(39,280)
Other interest receivable		(40,281)
	<u> </u>	<u> </u>

3 Directors and employees

	<u>2006</u> £	<u>2005</u> £
Directors' remuneration		
Emoluments	361,456	43,465
Contributions to money purchase pension schemes	138,319	518,396
	<u> </u>	<u> </u>
	<u>£499,775</u>	<u>£561,861</u>

The emoluments of directors disclosed above include the following amounts paid in respect of the highest paid director

	<u>2006</u> £	<u>2005</u> £
Emoluments	313,000	15,000
Contributions to money purchase pension schemes		472,000
	<u> </u>	<u> </u>
	<u>£313,000</u>	<u>£487,000</u>

	<u>2006</u> <u>Number</u>	<u>2005</u> <u>Number</u>
During the year the following number of directors accrued benefits under money purchase pension schemes	<u>3</u>	<u>2</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

3. Directors and employees (continued)

	<u>2006</u> £	<u>2005</u> £
Staff costs comprise		
Wages and salaries	1,328,102	939,708
Social security costs	137,332	91,648
Other pension costs	152,740	533,663
	<u>£1,618,174</u>	<u>£1,565,019</u>

The average number of employees (including directors) during the year was 52 (2005 51)

4 Tax on profit on ordinary activities

	<u>2006</u> £	<u>2005</u> £
Corporation tax payable based on the results for the year at 19% (2005 19%)	13,638	14,303
Current tax charge	13,638	14,303
Deferred taxation provided/(released)	4,331	(1,473)
	<u>£17,969</u>	<u>£12,830</u>

The current tax charge for the year is at a different rate from the standard rate of corporation tax in the UK for companies of this size. The difference is explained below

	<u>2006</u> £	<u>2005</u> £
Profit on ordinary activities before taxation	78,446	63,301
Profit on ordinary activities multiplied by the applicable standard rate of corporation tax at 30% (2005 30%)	23,534	18,990
Expenses not deductible for tax purposes (mainly entertaining, 2005 – mainly professional fees)	338	36
Depreciation on items not qualifying for capital allowances	1,993	2,048
Capital allowances in excess of depreciation on qualifying items	(744)	(2,113)
Other timing differences	(3,587)	3,587
Small companies' relief	(7,896)	(8,245)
Current tax charge for the year	<u>£13,638</u>	<u>£14,303</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

5 Dividend

	<u>2006</u>	<u>2005</u>
Dividend of £2 50 per share paid in the year (2005 £7 50 per share)	<u>£50,000</u>	<u>£150,000</u>

6. Tangible fixed assets

	<u>Property improvements</u> £	<u>Plant and equipment</u> £	<u>Fixtures and fittings</u> £	<u>Computer equipment</u> £	<u>Total</u> £
Cost					
At 1 June 2005	538,006	280,491	245,301	93,106	1,156,904
Additions		11,810	1,900	10,984	24,694
Disposals				(71,234)	(71,234)
At 31 May 2006	<u>538,006</u>	<u>292,301</u>	<u>247,201</u>	<u>32,856</u>	<u>1,110,364</u>
Accumulated depreciation					
At 1 June 2005	173,072	184,649	160,845	83,978	602,544
Charge for the year	10,760	17,059	9,844	5,193	42,856
Eliminated on disposals				(71,234)	(71,234)
At 31 May 2006	<u>183,832</u>	<u>201,708</u>	<u>170,689</u>	<u>17,937</u>	<u>574,166</u>
Net book value					
At 31 May 2006	<u>£354,174</u>	<u>£90,593</u>	<u>£76,512</u>	<u>£14,919</u>	<u>£536,198</u>
At 31 May 2005	<u>£364,934</u>	<u>£95,842</u>	<u>£84,456</u>	<u>£9,128</u>	<u>£554,360</u>

The property improvements relate to buildings erected on land owned by an associated company, Ian H Cameron Limited

7. Stocks

	<u>2006</u> £	<u>2005</u> £
New vehicles	252,701	480,599
Used vehicles	1,220,547	1,147,294
Parts	72,613	72,681
Paint, consumables and work in progress	17,545	14,538
Consignment vehicles	387,670	412,864
	<u>£1,951,076</u>	<u>£2,127,976</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

8. Debtors

	<u>2006</u> £	<u>2005</u> £
Amounts falling due within one year		
Trade debtors	196,096	264,037
Other debtors (amounts owed by related companies see note 15)	1,754,598	884,261
Prepayments and accrued income	81,218	113,485
	<u>£2,031,912</u>	<u>£1,261,783</u>

9 Creditors amounts falling due within one year

	<u>2006</u> £	<u>2005</u> £
Trade creditors	755,760	798,001
Other creditors (amounts owed to related companies see note 15)	265,948	233,057
Corporation tax	13,638	14,303
Other taxes and social security	222,719	123,353
Directors' current accounts	1,067	4,021
Accruals	379,765	96,734
Consignment stock creditor	387,670	412,864
	<u>£2,026,567</u>	<u>£1,682,333</u>

10. Deferred taxation

Full provision has been made at 30% (2005 30%) for the potential taxation arising in respect of

	<u>2006</u> £	<u>2005</u> £
Capital allowances in excess of depreciation	56,693	55,949
Other timing differences		(3,587)
	<u>£56,693</u>	<u>£52,362</u>

Movement in provision during the year	£
At 1 June 2005	52,362
Provided during the year	4,331

At 31 May 2006	<u>£56,693</u>
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Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

11. Share capital

	<u>2006</u>	<u>2005</u>
Ordinary shares of £1 each		
Authorised, issued and fully paid	<u>£20,000</u>	<u>£20,000</u>

12. Reconciliation of movements in equity shareholder's funds

	<u>2006</u> £	<u>As restated</u> <u>2005</u> £
Profit on ordinary activities after taxation	60,477	50,471
Dividend paid	(50,000)	(150,000)
	<u>10,477</u>	<u>(99,529)</u>
Increase/(decrease) in shareholder's funds	10,477	(99,529)
Opening shareholder's funds as restated	<u>2,837,113</u>	<u>2,936,642</u>
Closing shareholder's funds	<u>£2,847,590</u>	<u>£2,837,113</u>

13. Prior year restatement

In accordance with FRS 25, amounts paid to equity shareholders have been debited directly to retained profits and are disclosed as a movement in shareholders' funds (see note 15). Equity dividends were previously treated as a deduction in the profit and loss account.

In addition, in accordance with FRS 21, equity dividends are now recognised in the financial statements in the year in which they are paid and corresponding figures relating to the previous year have been restated to reflect the application of this new Financial Reporting Standard.

14. Pension costs

The company operates a number of defined contribution pension schemes. The assets are held separately from those of the company in both independently and self-administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £152,740 (2005: £533,663). At 31 May 2006 there were no amounts payable to the funds (2005: £11,960).

15. Related companies

Amount owed by company under common control

	<u>2006</u>	<u>2005</u>
Douglas Cameron (Perth) Limited	<u>£1,754,598</u>	<u>£884,261</u>

Cameron Motors (Perth) Limited

Notes to the financial statements (continued)

15 Related companies (continued)

Amounts owed to companies under common control

	<u>2006</u> £	<u>2005</u> £
Douglas Cameron (Perth) Limited	33,205	315
Inveralmond Motors Limited	93,208	93,208
Ian H Cameron Limited	139,535	139,534
	<u>£265,948</u>	<u>£233,057</u>

16. Parent company

The company is a wholly owned subsidiary of Cameron Motors (Scotland) Limited, a company registered in Scotland